

Assembly Bill No. 66

Passed the Assembly September 10, 2013

Chief Clerk of the Assembly

Passed the Senate September 9, 2013

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 2774.1 to the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 66, Muratsuchi. Electricity: system reliability.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined. The Public Utilities Act authorizes the commission to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or service to be furnished, imposed, observed, and followed by specified public utilities, including all electrical corporations. If the commission finds after a hearing that the rules, practices, equipment, appliances, facilities, or service of any public utility, or of the methods of manufacture, distribution, transmission, storage, or supply employed by the public utility, are unjust, unreasonable, unsafe, improper, inadequate, or insufficient, the act requires that the commission determine and, by order or rule, fix the rules, practices, equipment, appliances, facilities, service, or methods to be observed, furnished, constructed, enforced, or employed. Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

This bill would require the commission to require an electrical corporation to include in annual reliability reports, required by a specified decision of the commission, that are due after July 1, 2014, information on the reliability of service to end use customers that identifies the frequency and duration of interruptions in services and indicates areas with both the most frequent and longest outages, using local areas determined by the commission. The bill would require the commission to use the information to require cost-effective remediation of reliability deficiencies if the report, or more than one report, identifies repeated deficiencies in the same local area and would authorize the commission to suspend this requirement upon specified findings. The bill would require the electrical corporations to conspicuously post their annual

reports on their Internet Web site. Because a violation of any order, decision, rule, direction, demand, or requirement of the commission is a crime, this bill would impose a state-mandated local program by expanding the definition of a crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 2774.1 is added to the Public Utilities Code, to read:

2774.1. (a) (1) The commission shall require an electrical corporation to include in an annual reliability report, required pursuant to Decision 96-09-045, as amended, or a decision that supersedes Decision 96-09-045, information on the reliability of service to end use customers that identifies, but is not limited to, the frequency and duration of interruptions in services. This information shall indicate areas with both the most frequent and longest outages, using local areas determined by the commission. The commission, in consultation with the electrical corporation, shall ensure that the geographical boundaries of local areas do not split up circuits for reporting purposes, if the electrical corporation aggregates data by circuits. The information shall be sufficiently aggregated to both maintain electrical system security, and be of use and relevance to affected customers of the electrical corporation.

(2) Before July 1, 2014, the commission shall determine the local areas for the purposes of paragraph (1).

(3) The requirements of paragraph (1) shall apply to annual reports due after July 1, 2014.

(4) The electrical corporation shall conspicuously post on its Internet Web site the annual report required pursuant to Decision 96-09-045, as amended, or a decision that supersedes Decision 96-09-045.

(b) (1) The commission shall use the information contained in an electrical corporation's annual reliability report to require

cost-effective remediation of reliability deficiencies if the report, or more than one report, identifies repeated deficiencies in the same local area as determined by the commission pursuant to paragraph (1) of subdivision (a). In requiring cost-effective remediation, the commission shall consult with the electrical corporation and consider mitigating factors that may impede an electrical corporation from implementing required cost-effective remediation, including, but not limited to, local permitting matters or other events or conditions or public policy considerations that may present higher priority safety or reliability issues.

(2) The commission may suspend the requirements of paragraph (1) if the commission finds that expenditures by the electrical corporation to comply with that paragraph are not justified or that the remediation measures undertaken by the electrical corporation are not effective at improving reliability.

(c) (1) The commission may order an electrical corporation to make more frequent trend analyses of local area service reliability and to make those analyses publicly available.

(2) The information made publicly available shall provide sufficient confidentiality for purposes of protecting electrical system security.

(3) The commission may make those analyses publicly available.

SEC. 2. (a) It is the intent of the Legislature in adding Section 2774.1 to the Public Utilities Code, that the required system reliability information be included in the annual report required by the Public Utilities Commission in Decision 96-09-045 (September 4, 1996), while preserving the discretion of the commission to modify an electrical corporation's reporting requirements.

(b) It is the further intent of the Legislature to require an annual reliability report to include and differentiate both sustained outages and momentary outages, as defined by the Public Utilities Commission.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within

the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2013

Governor